

Bipartisan Infrastructure Law (BIL): Passenger Rail

State Supported and Long Distance Routes - FACTS	Reference
Other than discretionary, competitive, grant programs, there are no funds directed to states, for the restoration or development of passenger rail service	
Passenger rail routes less than 750 miles long are defined as short distance corridors, state supported, and are subsidized by state(s).	49 USC 24102 and 24712
Routes currently in operation and that are longer than 750 miles, are defined as long distance routes and are subsidized by federal dollars.	49 USC 24710
There is no guarantee that Montana will be exempt from subsidizing a restored passenger rail route, of any length. Long distance routes (e.g., Empire Builder), have historically been subsidized by federal dollars however it has not yet been made clear how future routes will be subsidized, since new/restored long distance routes do not meet the federal definition for it.	49 USC 24102(7)(C)
The federal administration has the power to re-evaluate how long distance routes are subsidized. Proof of this occurred in the proposed Federal Fiscal Year 2019 Budget which included a reform to cut the budget for long distance Amtrak routes by 50%. The 50% cut would be covered by requiring state contributions. If this reform was approved, then Montana would have been required to cover 50% of Empire Builder's operating costs, which would be approximately \$7 - \$9 million per year (2019 dollars).	Office of Management and Budget. <i>Fiscal Year 2019 - Efficient, Effective, Accountable - An American Budget Major Savings and Reforms.</i> Page 80.
BIL established the Amtrak Daily Long Distance Study, which directs the U.S. DOT to evaluate the feasibility of restoring rail passenger service along long-distance routes that were discontinued. The Northern Hiwawatha Route is expected to be one of the routes included in the study.	

Program	Program Type	Description	Project Types	Federal Share/Match
Federal State Partnership for Intercity Passenger Rail Program, 49 USC 24911	Discretionary grant (competitive)	Program that provides funding for establishing new passenger rail routes.	Capital and planning passenger rail projects, passenger rail expansion & improvement projects.	80% maximum federal share, project selection preference is for projects with 50% or less federal share.
Restoration and Enhancement Grant Program, 49 USC 22908	Discretionary grant (competitive)	Provides grants to help cover state's operating costs of a new or restored passenger rail line.	Passenger rail operating expenses.	Annually declining scale from 90% to 30% federal share over the first six year period.
Interstate Rail Compact Grant Program, 49 USC 22910	Discretionary grant (competitive)	Program to provide financial support for interstate compacts formed to plan, oversee, or advance new passenger rail routes.	Planning and administration of interstate rail compacts.	50% non-federal match.
Corridor Identification Program, 49 USC 25101	Program to identify new passenger rail corridors (competitive)	Program to support the development of passenger rail routes by soliciting for rail corridor proposals and to develop service deployment plans, which outline the mechanisms by which a corridor is developed/restored and operated.	Planning grants to support the development/restoration of passenger rail corridors.	Federal share for planning grants TBD. There are no program funds appropriated for capital projects (projects will be prioritized for consideration through other grant programs). Corridors identified through this program are implied to be state subsidized.
Consolidated Rail Infrastructure and Safety Improvement Grant Program (CRISI), 49 USC 22907	Discretionary grant (competitive)	Program that improves the safety, efficiency, and reliability of intercity passenger and freight rail.	Capital rail projects & improvements, highway-rail grade separation projects, rail safety projects, rehabilitation/procurement of locomotives.	80% maximum federal share, project selection preference is for projects with 50% or less federal share.

MDT/Amtrak Southern Passenger Route Study

In 2009-10, Amtrak conducted a feasibility study for MDT to inform public interests on potential restoration of the North Coast Hiawatha passenger rail route. The study included two components. The first component of the analysis evaluated a route from Williston, North Dakota to Sandpoint, Idaho and the second component more thoroughly evaluated a route between Billings to Missoula. The report describes operational characteristics of the line, operating speeds, and physical characteristics of the track, as well as infrastructure upgrades needed to meet passenger rail standards, curves/tunnels, and speed limiting grades.

Though out of date, the study provides the most reliable information, until an updated feasibility study is conducted, which is expected to occur within the next two years by the US DOT. Costs reflected below are in 2009 dollars and do not account for inflation, nor do they include costs for station improvements (estimated at \$6.2 million).

Restoration & Operating Costs of the Northern Hiawatha Route Between Billings and Missoula (Values are in 2009 dollars)	
Length of Route (miles)	357.7
No. of Host Rail Carriers (BNSF)	1
Maximum Operating Speed	79 MPH
Proposed Scheduled Running Time	8 HRS, 15 MIN.
Estimated Annual Ridership	15,300
Estimated Annual Revenue (\$millions)	\$0.40
Estimated Annual Operating Expense (\$millions)	\$12.60
Estimated Annual Operating Subsidy (\$millions)	\$12.20
Estimated Rolling Stock Cost (\$millions)	\$95.00
Positive Train Control (PTC)*	\$0.00
"Order of Magnitude" Infrastructure Capital Cost (\$millions)	\$28.25
Estimated Mobilization Cost (\$millions)	\$2.80
Total Investment of one time infrastructure costs \$126.0 million and annual Operating Subsidy of \$12.2 million	

*The 2009 study estimated PTC costs at \$33 million. Since then, and by 2020, all railroads became compliant with the installation of PTC, according to the Federal Railroad Administration. Therefore the value was updated to reflect this change.